

MOTION BY SUPERVISOR YVONNE B. BURKE

MAY 23, 2006

Although oil drilling has occurred in the unincorporated Baldwin Hills area for a number of years, several incidents involving the release of noxious odors as well as the significant increase in new well drilling in the last year suggest that the County should reevaluate its zoning and other regulations regarding oil field operations in that area. Culver City ("City") has been particularly concerned about the impacts that oil drilling in that area has had on its constituents. Currently, oil wells are a permitted use given the zoning in that area, with no conditional use permit required.

In a cooperative spirit, County staff have met with representatives of the City, the State Department of Conservation, Division of Oil, Gas and Geothermal Resources ("DOGGR") and Plains Exploration and Production Company ("PXP"), the operator of wells in that area, to discuss the need for additional zoning and other mitigation measures to ensure that oil drilling can occur in that area in a manner that is both safe and compatible with the surrounding communities. However, those discussions will

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need to continue and possible zoning studies will need to be conducted to determine how to best accomplish those goals.

To allow those discussions to occur and to allow the County to determine the appropriate form of an interim zoning moratorium that might be imposed for the area, the attached "Standstill and Tolling Agreement" ("Agreement") among the County, the City, DOGGR and PXP has been proposed. The Agreement will allow PXP to continue its well drilling activities at a reduced pace, with no deep well drilling, during the roughly 45 day life of the Agreement and DOGGR would agree not to issue any additional state well drilling permits for that location. The Agreement would further provide that during its term the County would not adopt any interim urgency or permanent zoning ordinance covering well drilling at this location and the County and Culver City would not commence any lawsuit under the California Environmental Quality Act over PXP's well drilling activities. However, any statutes of limitation would be tolled for the County and City during the life of the agreement, so as to protect our respective legal rights.

This Agreement will allow the County the time to determine the nature and scope of a zoning moratorium which may be adopted later and will not prejudice the County's legal rights to adopt appropriate zoning measures in the future.

I THEREFORE, MOVE that the Board approve the attached "Standstill and Tolling Agreement" and authorize the County Counsel to execute it on behalf of the County.

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